

## Summary of Notifications, Circulars from 16<sup>th</sup> May, 2017 to 15<sup>th</sup> June, 2017

### CUSTOMS

#### 1. **Valmikinagar in West Champaran District, Bihar now notified as Land Customs Station**

CBEC vide *Notification No. 50/2017-Customs (NT), Dated: May 24, 2017* has declared the following as Land Customs Station in State of Bihar for the purpose mentioned against it:

S. No.	Place	Purpose
1.	(28) Valmikinagar in West Champaran District, Bihar	Road connecting Valmikinagar in West Champaran District, Bihar and Triveni Bazar in Nepal ”.

*[Notification No. 50/2017-Customs (NT), Dated: May 24, 2017]*

#### 2. **Exemption from drawal of samples for the purpose of grant of drawback to the AEO certificate holders**

Central Government vide earlier *Circular No. 5/2017-Cus dated 28.2.2017* had exempted exporters who have been accorded Authorized Economic Operator (AEO) certificate (Tier II & Tier III) from the requirements of drawal of samples for the purpose of grant of drawback, except in case of any specific information or intelligence.

Further to above, Central Government vide *Circular No. 18/2017-Cus, Dated: May 29, 2017* has, as a measure of further facilitation, provided to extend the exemption from the requirements of drawal of samples for the purpose of grant of drawback to Authorized Economic Operator (AEO) holding Tier-I certificate, except in case of any specific information or intelligence.

*[Circular No. 18/2017-Cus, Dated: May 29, 2017]*

#### 3. **Facility for Online Generation of Rotation Number by Shipping Lines/Agents**

Presently, for the allotment of 'Rotation Number' for a vessel that calls on a port, the concerned Shipping Line or Shipping Agent (SL/SA) is required to file an application with the designated section in the Custom House, along with the desired particulars in the prescribed format. After confirmation of the particulars, the designated official who is

assigned the appropriate role on the Indian Customs EDI System (ICES), enters the relevant data in this system. Upon submission of this data, the 'Rotation Number' is generated by the System (ICES) and print-outs showing the vessel particulars and the 'Rotation Number' are generated for the (SL/SA).

Now, for simplifying the process of generation of 'Rotation Number' for vessels ,a facility of online application and self-generation of Rotation Number by Shipping Lines/Agents (SL/SA) has been developed. Under the proposed facility, the Shipping Lines/Agents registered with ICEGATE using their digital signature would have an option "Rotation Number Generation" on the ICEGATE user menu. The declarant needs to provide the following details in the web-form:

Customs Location Code (LOCODE)	IMO Code of the vessel
Voyage Number	Master's Name
Shipping Line Code	Shipping Agent Code
Next Port of Call	Expected Date of Arrival of vessel

On submission of the above details and authentication by the user using a one-time password (OTP), the Rotation Number would be generated by the system. The user also has option to check the status of Rotation in the system under secure login. For casual visitors (members of the trade), a 'Rotation Number Inquiry' option would be made available on the ICEGATE website.

*[Circular No. 20/2017-Cus, Dated: May 31, 2017]*

## **CENTRAL EXCISE**

### **4. Amendment in CENVAT Credit Rules, 2004 for unavailed credit of Services provided by the Government**

Cenvat Credit Rules, 2004 provide that credit of Service Tax paid in a Financial Year, on the onetime charges payable in full upfront or in installments, for the service of assignment of the right to use any natural resource by the Government, local authority or any other person, shall be spread evenly over a period of three years.

Central Government vide *Notification No. 15/2017-Central Excise (N.T.) dated June 12, 2017* has amended Rule 4(7) of CENVAT Credit Rules, 2004 to allow unavailed CENVAT Credit in respect of services provided by the Government, local authority or any other person by way of assignment of the right to use any natural resource on the day

immediately preceding the day on which Central Goods and Services Tax Act, 2017 shall come into force, in full on that very day.

Further, an explanation has been inserted to provide that "***unavailed CENVAT credit***" means the amount that remains after subtracting the amount of CENVAT credit already availed in respect of any service from the aggregate amount of CENVAT credit to which the recipient of such service was entitled to in respect of such service.

The Amendment would enable service recipients to carry forward such unavailed credit of Service Tax under the GST regime. As a result, Telecom Service Providers, who have been allotted Spectrum in auction conducted in 2016 and have already availed one third credit in respect of Service Tax paid by them, during 2016-17, would be eligible to take the remaining two thirds credit pertaining to 2016-17 in the GST regime, scheduled to roll-out on 1st July, 2017.

*[Notification No. 15/2017-Central Excise (N.T.) dated June 12, 2017]*